

MINUTES
Oversight Board of Successor Agency to
Lakewood Redevelopment Agency
Regular Meeting held
January 10, 2013

MEETING WAS CALLED TO ORDER at 12:00 p.m. by Chairman Titel, in the Council Chambers at the Civic Center, 5000 Clark Avenue, Lakewood, California.

. . .

PLEDGE OF ALLEGIANCE was led by Board Member Gabel

. . .

ROLL CALL: PRESENT: Chairman Marc Titel
Vice Chairman Don Waldie
Board Member Ann-Marie Gabel
Board Member Celia B. Rodriguez
Board Member James Novak

ABSENT: Board Member Howard Chambers
Board Member George Ray

. . .

APPROVE THE MINUTES OF SEPTEMBER 27, 2012

Board Member Gabel suggested to amend the minutes by removing the word “period”, mentioned in the first sentence under the “Review of the Due Diligence Review Report of the Low and Moderate Income Housing Fund” section, listed on page one (1) of the minutes.

ON MOTION OF BOARD MEMBER GABEL, SECONDED BY BOARD MEMBER NOVAK, DULY CARRIED BY THE FOLLOWING VOTE, THE BOARD APPROVED THE MINUTES OF SEPTEMBER 27, 2012 AS AMENDED:

AYES: BOARD MEMBERS: Titel, Waldie, Rodriguez, Novak, and Gabel
NAYS: BOARD MEMBERS: None
ABSENT: BOARD MEMBERS: Chambers and Ray
ABSTENTIONS: BOARD MEMBERS: None

. . .

APPROVE THE MINUTES OF OCTOBER 4, 2012

ON MOTION OF VICE CHAIR WALDIE, SECONDED BY BOARD MEMBER GABEL, DULY CARRIED BY THE FOLLOWING VOTE, THE BOARD APPROVED THE MINUTES OF OCTOBER 4, 2012:

AYES: BOARD MEMBERS: Titel, Waldie, Rodriguez, Novak, and Gabel
NAYS: BOARD MEMBERS: None
ABSENT: BOARD MEMBERS: Chambers and Ray
ABSTENTIONS: BOARD MEMBERS: None

RECEIVE AND FILE THE DEPARTMENT OF FINANCE'S FINAL DETERMINATION OF THE ROPS III REVIEW AND ROPS I RECONCILIATION

Diane Perkin, Director of Administrative Services, requested that the Board receive and file the Department of Finance's (DOF) final determinations on the Recognized Obligation Payment Schedules (ROPS) III review and the ROPS I reconciliation. Ms. Perkin reminded the Board that the Successor Agency had a Meet and Confer session with the DOF on November 28, 2012, to deliberate the disputed items on ROPS III, which were the initial loan from the City to the Agency and the deferred housing loan. Ms. Perkin indicated that in a final determination letter by the DOF dated December 15, 2012, the DOF determined that the loan from the City to the Agency was in fact an Enforceable Obligation (EO). However, the interest accrued on the loan was determined to not be an EO, so the initial loan obligation was reduced to \$382,000 with a ten year payment schedule.

Ms. Perkin noted that the deferred housing loan was also determined to not be payable until Fiscal Year 2013-2014.

Diane Perkin also informed the Board that the DOF and the Los Angeles County Auditor-Controller (CAC) performed a reconciliation ROPS I to verify whether funds received from the County were appropriately used. Both the DOF and CAC found that City Loan payments made in January 2012 were not EO's and in addition, found adjustments to be made to the available tax allocation and administrative costs. Ms. Perkin concluded that the property tax available to cover costs recognized in ROPS III will be reduced from \$4,403,880 to \$1,725,007 thereby returning \$2,553,873 to the County via ROPS III.

ON MOTION OF VICE CHAIR WALDIE, SECONDED BY BOARD MEMBER GABEL, UNANIMOUSLY CARRIED (BOARD MEMBER CHAMBERS AND RAY BEING ABSENT), THE BOARD RECEIVED AND FILED THE REPORT.

RECEIVE AND FILE THE DEPARTMENT OF FINANCE'S FINAL DETERMINATION OF THE LOW-MODERATE INCOME HOUSING FUNDS DUE DILIGENCE REVIEW

Diane Perkin informed the Board that the Successor Agency received a letter from the DOF dated December 15, 2012, which provides explanation of their final determination in overturning the Due Diligence Review (DDR) Report for the Low-Moderate Income Housing Fund submitted by the Agency and approved by the Oversight Board on October 4, 2012.

Diane Perkin explained that the DOF's final determination resulted in the Successor Agency being required to submit \$4,230,171 to the Los Angeles County Auditor-Controller (CAC). Ms. Perkin concluded that the Successor Agency has complied, and the full amount was transmitted to the Los Angeles (CAC) and ultimately dispersed to the taxing entities. Ms. Perkin requested that the Board receive and file the report.

ON MOTION OF VICE CHAIR WALDIE, SECONDED BY BOARD MEMBER GABEL, UNANIMOUSLY CARRIED (BOARD MEMBERS CHAMBERS AND RAY BEING ABSENT), THE BOARD RECEIVED AND FILED THE REPORT.

APPROVE THE DUE DILIGENCE REVIEW REPORT OF THE SUCCESSOR AGENCY NON-HOUSING FUND – RESOLUTION NO. OB-2013-1

Diane Perkin explained that since the submittal of the DDR on December 14, 2012, the Successor Agency received a final determination letter on the ROPS III and ROPS I reconciliation which changes the amount available for allocation to the affected taxing entities. Ms. Perkin noted that the DOF adjusted ROPS III by reducing the allowable amount for an initial loan from the City to the Agency as well as moving certain audit and accounting expenses under the administrative allowance.

Ms. Perkin informed that the amount determined by Simpson & Simpson CPA of -\$3,486,857 which is to be dispersed to the local taxing entities, was adjusted to -\$1,372,472. She also clarified that the ROPS I reconciliation of a reduction in allowable funding by \$2,553,873, was resolved by the DOF and CAC by adjusting available funds in the ROPS III of that same amount. Ms. Perkin indicated that the adjustments made by the DOF still determine that the amount available for allocation to the affected taxing entities is a negative dollar amount. She concluded that no public comments were received and requested that the Board approve the Non-Housing Funds Due Diligence Review report.

ON MOTION OF BOARD MEMBER NOVAK, SECONDED BY VICE CHAIR WALDIE, DULY CARRIED BY THE FOLLOWING VOTE, THE BOARD ADOPTED RESOLUTION NO. OB-2013-1, APPROVING THE DUE DILIGENCE REVIEW REPORT OF THE SUCCESSOR AGENCY NON-HOUSING FUND:

AYES: BOARD MEMBERS: Titel, Waldie, Rodriguez, Novak, and Gabel

NAYS: BOARD MEMBERS: None

ABSENT: BOARD MEMBERS: Chambers and Ray

ABSTENTIONS: BOARD MEMBERS: None

APPROVE THE MEETING CALENDAR FOR 2013:

To meet upcoming ROPS deadlines, Diane Perkin requested that the Board approve the Regular Meeting dates for the next two years. The requested dates are:

- February 21, 2013
- September 19, 2013
- February 20, 2014
- September 18, 2014

Board Member Gabel indicated that she would not be available to attend the February 21, 2013 meeting date, however noted that she will be available on the remaining dates.

On motion of Board Member Gabel, seconded by Board Member Novak, duly carried by the following vote, the Board approved the regular meeting dates for the 2013 and 2014 calendar years:

AYES: BOARD MEMBERS: Titel, Waldie, Rodriguez, Novak, and Gabel

NAYS: BOARD MEMBERS: None

ABSENT: BOARD MEMBERS: Chambers and Ray

ABSTENTIONS: BOARD MEMBERS: None

. . .

ORAL COMMUNICATIONS: None

. . .

ADJOURNMENT

There being no further business to be brought before the Oversight Board, Chairman Titel adjourned the meeting at 12:11 p.m.

Respectfully submitted,

Josefina Semense-Mayberry, CMC
Deputy City Clerk